

Claims 1-41. (Canceled)

42. (Currently Amended) A method comprising:
~~providing at least one portable multilayer storage medium having a physical format to at least one viewer having multiple video segments recorded thereon;~~
reading ~~the~~ a portable multilayer storage medium with a reader device, the portable multilayer storage medium having a plurality of video segments stored thereon configured to read the physical format; and
tracking with the reader device ~~which and~~ how many times ~~the video segments are a~~ video segment of the plurality of video segments is played, said tracking enabled via a ~~controller and memory module of the reader device~~ instructing a servo to move to tracks of said ~~physical format~~ multilayer storage medium containing video segments to be viewed.

43. (Previously Presented) The method according to Claim 42, wherein the at least one multilayer storage medium has multiple feature length movies stored thereon.

44. (Currently Amended) The method according to Claim 42, wherein ~~the act of~~ providing the at least one viewer with the at least one multilayer storage medium comprises ~~the act of~~ distributing multiple multilayer storage mediums to the at least one viewer on a periodic basis.

45. (Previously Presented) The method according to Claim 42, wherein the multilayer storage medium is an optical disk that has the capacity to store at least approximately 20 gigabytes of information.

46. (Currently Amended) The method according to Claim 42, wherein how many times each of the plurality of video segments is played is tracked ~~the multilayer storage medium contains recordings of classic/older movies.~~

47. (Currently Amended) The method according to Claim 46, wherein ~~the act of~~ providing the at least one viewer with the at least one multilayer storage medium comprises ~~the act of~~ providing a mechanism for the at least one viewer to order a selected multilayer storage medium of multiple classic/older movie multilayer storage mediums.

48. (Previously Presented) The method according to Claim 42, wherein the multilayer storage medium was recorded on using near-field disk recording.

49. (Previously Presented) The method according to Claim 42, wherein the multiple video segments are encrypted.

50. (Previously Presented) The method according to Claim 42, wherein the reader device has a first, unique identifier.

51. (Previously Presented) The method according to Claim 50, further comprising providing a mechanism for the at least one viewer to select the unique identifier for the reader device.

52. (Previously Presented) The method according to Claim 50, further comprising transmitting information between the reader device and a central computer.

53. (Currently Amended) The method according to Claim 52, wherein the transmitting ~~act~~ comprises ~~the act of~~ the reader device transmitting the first unique identifier to the central computer.

54. (Previously Presented) The method according to Claim 53 further comprising, when the reader device transmits its first identifier to the central computer, the reader device also transmitting a second unique identifier to the central computer.

55. (Previously Presented) The method according to Claim 54 further comprising, when the central computer receives the first and second identifiers from the reader device, the central computer creating a digital rights management code and sending said code to said reader device.

56. (Previously Presented) The method according to Claim 55 wherein, when the central computer sends said code to said reader device, the central computer also sends to said reader device instructions for an amount of available credit that the reader device can draw upon.

57. (Previously Presented) The method according to Claim 53, further comprising, when each reader device transmits its first identifier to the central computer, the reader device also transmits to the central computer data identifying at least one movie that has been played on the reader device.

58. (Currently Amended) The method according to Claim 57 wherein the act of transmitting information further comprises, when each reader device transmits its first identifier to the central computer, the reader device also transmitting to the central computer information identifying dates and times that movies have been played on the reader device.

59. (Previously Presented) The method according to Claim 42 wherein the reader device has a first table that lists standard pricing rules for a first category of movies.

60. (Previously Presented) The method according to Claim 59 wherein the reader device has a second table that lists exception pricing rules for a second category of movies.

61. (Currently Amended) A video distribution system, comprising:
at least one portable multilayer storage medium having ~~a physical format and~~ multiple video segments recorded thereon; and
at least one reader device to be provided to at least one viewer configured to read said multilayer storage medium, wherein the reader device is configured to ~~read the physical format and track which and how many times the video segments are~~ a video segment of the plurality of video segments is played, said tracking enabled via ~~a controller and memory module of the reader device~~ instructing a servo to move to tracks of said ~~physical format multilayer storage medium~~ containing video segments to be viewed.

62. (Currently Amended) The system according to Claim 61 wherein the device is configured to track how many times each of the plurality of video segments is played ~~said at least one multilayer storage medium is part of a group of multilayer storage mediums comprising a first group of multilayer storage mediums having newer release movies recorded thereon, and a second group of multilayer storage mediums having classic/older movies recorded thereon.~~

63. (Previously Presented) The system according to Claim 62 further comprising a distribution network that distributes at least one multilayer storage medium having new release movies to the at least one viewer on a periodic basis and provides a mechanism for the at least one viewer to order selected ones of the second group of multilayer storage mediums having the classic/older movies.

64. (Previously Presented) The system according to Claim 61 wherein the multilayer storage medium was recorded on using near-field disk recording.

65. (Previously Presented) The system according to Claim 61 wherein the reader device has a first unique identifier.

66. (Previously Presented) The system according to Claim 65 further comprising a central, system computer, and wherein information is transmitted between said computer and the reader device.

67. (Previously Presented) The system according to Claim 66 wherein the reader device transmits its first unique identifier, and a second unique identifier to the central computer; and in response to receiving first and second unique identifiers from reader device, the central computer creates a digital rights management code and sends said code to the reader device.

68. (Previously Presented) The system according to Claim 67 wherein, when the central computer sends said code to said reader device, the central computer also sends to the reader device instructions for the amount of available credit that the reader device can draw upon.

69. (Previously Presented) The system according to Claim 67 wherein, when each reader device transmits its first identifier to the central computer, the reader device also transmits to the central computer reader information identifying the dates and times that movies have been shown on the reader device.

70. (Previously Presented) The system according to Claim 61, wherein the reader device includes a first table that lists standard pricing rules for a first category of movies, and a second table that lists exception pricing rules for a second category of movies.

71. (Currently Amended) A device for playing video segments digitally recorded on at least one multilayer storage medium comprising:

a playback device for playing the at least one multilayer storage medium having multiple video segments recorded thereon, wherein said playback device is configured to read said multilayer storage medium, wherein the reader playback device is configured to ~~read a physical format of said storage medium and track which and how many times the video segments are~~ a video segment of the plurality of video segments is played, said tracking enabled via ~~a controller and memory module of the reader playback~~ device instructing a servo to move to tracks of said ~~physical format~~ multilayer storage medium containing video segments to be viewed.

72. (Previously Presented) The device according to Claim 71, wherein the multilayer storage medium was recorded on using near-field disk recording.

73. (Currently Amended) The device according to Claim 71 wherein the device is configured to track how many times each of the plurality of video segments is played ~~said at least one multilayer storage medium is part of a group of multilayer storage mediums having a first group of new release movies and a second group having classic/older movies.~~

74. (Previously Presented) The device according to Claim 71 wherein the playback device has a unique first identifier.

75. (Previously Presented) A device according to Claim 74 wherein the playback device has a mechanism to transmit the first unique identifier to a system computer.

76. (Previously Presented) The device according to Claim 75 wherein, when the system computer has a mechanism to receive the first unique identifier from the playback device, create a digital rights management code and send the code to the playback device.

77. (Previously Presented) The device according to Claim 71 wherein the playback device has a mechanism to transmit to a system computer information identifying the dates and times that video segments are played on the playback device.

78. (Previously Presented) The device according to Claim 71 wherein a system computer also sends to said playback device instructions for the amount of available credit that said playback device can draw upon.

79. (Previously Presented) The device according to Claim 78, wherein the playback device includes a first table that lists standard pricing rules for a first category of movies, and a second table that lists exception pricing rules for a second category of movies.

80. (Previously Presented) The device according to Claim 79, wherein the system computer comprises means for changing pricing rules listed in the first and second tables.

81. (Previously Presented) The device according to Claim 71, wherein the playback device includes an associated first table listing standard pricing rules for a first category of movies.

82. (Previously Presented) The device according to Claim 71, wherein the multilayer storage medium is an optical disk that has the capacity to store at least approximately 20 gigabytes of information.